

PREPARED BY: Jeanne Glenn
DATE PREPARED: February 13, 2012
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LB 950

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(110,735)		(110,735)
CASH FUNDS	4,429,381	4,429,381	See below	
FEDERAL FUNDS				
CASH RESERVE FUND		(4,429,381)		
TOTAL FUNDS	4,429,381	(110,735)	See below	(110,735)

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 950 would amend sections of law governing natural resources district (NRD) loan payments currently deposited in the Water Contingency Cash Fund and transferred at the end of each month to the Cash Reserve Fund. On the effective date of LB 950, NRD repayments would be deposited in the Water Resources Cash Fund.

Based upon a NRD repayment schedule, and because LB 950 does not carry the emergency clause, there is no basis to disagree with the Department of Natural Resources estimate that \$4,429,381 would be deposited in the Water Resources Cash Fund. A corresponding reduction of revenue would occur in the Cash Reserve Fund. Because interest earned on the Cash Reserve Fund is deposited in the General Fund, there would be an annual \$110,735 revenue loss to the General Fund, assuming a 2.5% interest rate.

An increased cash fund expenditure authority would be necessary to allow the Department of Natural Resources to expend the increased revenue in the Water Resources Cash Fund.

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LB⁽¹⁾ 950 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2) Department of Natural Resources

Prepared by: (3) Ron Theis Date Prepared: (4) 1/12/12 Phone: (5) 402 471 0577

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2012-2013		FY 2013-2014	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	0	0	0	0
CASH FUNDS	0	4,429,381	0	0
FEDERAL FUNDS	0	0	0	0
OTHER FUNDS	0	0	0	0
TOTAL FUNDS	0	4,429,381	0	0

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The bill transfers repayments made to the Water Contingency Cash Fund (WCCF), after enactment, to the Water Resources Cash Fund (WRCF) instead. Under current law, repayments to WCCF go to Treasury for deposit in State Cash Reserve Fund. DNR administers WRCF and may, as appropriated by the Legislature, expend WRCF funds for eligible purposes.

The bill will impact agency budget by increasing WRCF balance by amounts repaid by natural resources districts to WCCF. Current repayment expectations relevant to the bill for \$4,249,381 balance due WCCF* after effective date of bill are based upon plans for repayment and times submitted by the three NRD, consistent with 2-2-3226.08 (2), as follows:

LRNRD	741,087	6/30/13
MRNRD	1,000,000	6/15/13
URNRD	1,254,147	9/30/12
URNRD	1,254,146	6/30/13

DNR may not plan expenditure of cash fund revenue without Legislative appropriation.

*Total balance due WCCF at time of this note is \$7,544,613, but the total noted as relevant to bill do not include expected payments of \$300,000 from MRNRD by 2/15/12 (FY 2011-12). In addition FY 2012-13 expected payments of \$781,046 from LRNRD by 12/31/12, \$1,000,000 from MRNRD by 6/30/12, and \$1,254,147 from URNRD by 6/30/12 will not be affected if transferred to cash reserve prior to the presumed effective date of bill without emergency clause, July 12, 2012.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2012-2013	2013-2014
	12-13	13-14	EXPENDITURES	EXPENDITURES
			0	0
			0	0
Benefits.....			0	0
Operating.....			0	0
Travel.....			0	0

Capital outlay.....
Aid.....
Capital improvements.....
TOTAL.....

<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>